

**MINUTES OF IWCC MEDICAL FEE ADVISORY BOARD
IWCC CHICAGO OFFICE, NINTH FLOOR ROOM 9-039
HELD ON FEBRUARY 19, 2009**

Present at the meeting:

Acting Chairman Amy J. Masters
Ms. Maddy Bowling, Employer Representative
Ms. Elena Butkus, Medical Provider Representative
Mr. Eric Dean, Employee Representative
Mr. Ronald Powell, Employee Representative

Attending the meeting via conference call:

Dr. Jesse Butler, Medical Provider Representative
Ms. Kim Moreland, Employer Representative
Mr. John Smolk, Employer Representative

Participating Workers' Compensation Advisory Board Members:

Mr. David Menchetti
Mr. Kim Presbrey
Mr. Mark Flannery

IWCC staff present at the meeting:

Mr. Glen Boyle, Medical Fee Schedule Project Manager
Mrs. Kathryn Kelley, General Counsel
Mrs. Bertha E. Parker, Acting Secretary
Ms. Susan Piha, Manager of Research & Education

Chairman Masters called the meeting to order at 9:10 a.m.

The following documents were distributed to the board: minutes from previous meeting, proposed access rule language submitted by Elena Butkus and Mark Flannery and documents drafted by Glen Boyle regarding proposed changes to address anomalies in the fee schedule.

The minutes from the September 4, 2008 meeting were unanimously approved as presented.

Chairman Masters stated the Medical Fee schedule rules were reviewed by JCAR on January 13, 2009, and implemented February 1, 2009. JCAR recommended the Commission seek a statutory amendment allowing it to use more recent data than the 2002 and 2004 data used in the creation of the Medical Fee Schedule and continue to

consider comments from the affected entities on the validity of data used in creation of the schedule.

Glen Boyle provided an update regarding the conversion of hospital inpatient codes from DRG to MS-DRG. The inter-agency contract has been completed with the Department of Public Health and the Commission expects to receive the data soon. Once received, Mr. Boyle will begin to apply the grouper and regroup inpatient bills into MS-DRG codes.

Next, Mr. Boyle presented possible solutions for anomalies in the hospital outpatient fee schedule, using standard deviation in an effort to address fees that appear to be too high or low. Some proposals collapsed the 29 geozips into four Medicare regions. The board debated the issue and asked questions regarding geographic locations of geozips, number of hospitals in geozips, number of charges used and possible utilization of grouping for high and low fees. Mr. Boyle indicated he would obtain additional information and present at the next meeting.

The board also discussed the report to be presented to the General Assembly in 2010 about the impact of the medical fee schedule, including the structure and content of that report.

The board recessed for a break at 10:25 a.m. and returned at 10:40 a.m.

Chairman Masters also noted that plans are forthcoming to schedule seminars across the state to provide an overview of the medical fee schedule for providers, payers, and other interested parties. Some board members offered to assist with the seminar.

Next, Elena Butkus and Mark Flannery presented the draft access rule. The board discussed the rule and suggested changes, including petitioner distance to provider, and various timelines on review. The board agreed to the charges and Chairman Masters indicated after Kathryn Kelly updates the proposed rule, she would present to the Commissioners and solicit input on the rule.

The board set meeting dates for 2009, including May 21; August 20 and November 19 at 9:00 a.m.

Upon motion, meeting was adjourned at 11:40 a.m.